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SUBJECT: RUMORS RIFE ABOUT POSSIBLE JULY 1 TAXI STRIKE IN  
BEIJING

Classified By: Political Section Internal Unit Chief Kin W. Moy. Reason  
1.4 (b/d)

11. (C) Beijing taxi drivers intend to stage a one-day strike July 1 to protest rising gas prices and an increase in the minimum fare, several drivers told us June 28-30. Asked about the scope of the prospective work stoppage, a random sampling of drivers indicated that anywhere from 50 to 90 percent of the capital's cabbies would "stay home and rest" on the first of the month. A website that reportedly contained information about the potential strike ([www.xcar.com.cn](http://www.xcar.com.cn)) was inaccessible as of the afternoon of June 30. We are unaware of any Mainland Chinese media reports on the subject.

12. (C) RSO contacted the Ministry of Public Security on June 29 to inquire about the possible strike. MPS officials acknowledged that they were aware of the potential strike and that they have warned drivers not to take action. Drivers we spoke with said there were no plans for open demonstrations. Instead, cabbies would simply stay off the roads.

13. (C) Beijing's taxi drivers have faced an array of changes in recent months. Gas prices have gone up by about 15 percent. The minimum fare has risen to RMB 2 (25 cents) per kilometer from RMB 1.20 (15 cents), a measure that drivers say has cut into their business. People are unwilling to pay the steeper price, cabbies remarked. In addition, the security cages that encase many taxis' driver seats are no longer provided by fleet companies. Cabbies themselves have to shell out some RMB 300 (USD 37) to get them installed. Given an intensifying fear of crime, such equipment is not viewed as optional. In one well-known case last year, a taxi driver was robbed and murdered in the city center in broad daylight. Against this backdrop, cabbies have apparently chosen a sensitive date to air their complaints. July 1 marks the 85th anniversary of the founding of the Chinese Communist Party.  
RANDT